

By: Harris

S.B. No. 234

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the reporting of income-producing contracts entered  
3 into by school districts.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter A, Chapter 44, Education Code, is  
6 amended by adding Section 44.012 to read as follows:

7 Sec. 44.012. REPORT OF INCOME-PRODUCING CONTRACTS. (a) In  
8 this section, "income-producing contract" means a contract under  
9 which a school district is entitled to or expects to receive income,  
10 including rentals, royalties, or a percentage of sales revenue.

11 (b) As provided by this section, a school district shall:

12 (1) publish a report of income-producing contracts in  
13 a newspaper of general circulation in:

14 (A) a county in which the district is located; or

15 (B) the county seat of a county adjacent to a  
16 county in which the district is located, if a newspaper of general  
17 circulation is not published in a county in which the district is  
18 located; or

19 (2) post a report of income-producing contracts on the  
20 district's Internet website.

21 (c) For each income-producing contract a school district  
22 enters into or under which the district receives income during the  
23 reporting period covered by the publication or posting, the  
24 district's report must include:

1           (1) the full name and address of each party to the  
2 contract other than the district;

3           (2) a description of the type of contract involved;

4           (3) the date the contract was entered into;

5           (4) the duration of the contract;

6           (5) a statement of the amount of income the district  
7 expects to receive under the contract; and

8           (6) a statement of the amount of income the district  
9 received under the contract during the reporting period.

10           (d) A school district shall publish or shall post on the  
11 district's Internet website a report of income-producing contracts  
12 two times each year. For a district whose fiscal year begins July 1,  
13 the first report shall be published or posted not later than August  
14 15 and cover the period from the preceding January 1 through June  
15 30, and the second report shall be published or posted not later  
16 than February 15 and cover the period from the preceding July 1  
17 through December 31. For a district whose fiscal year begins  
18 September 1, the first report shall be published or posted not later  
19 than October 15 and cover the period from the preceding March 1  
20 through August 31, and the second report shall be published or  
21 posted not later than April 15 and cover the period from the  
22 preceding September 1 through the last day of February.

23           SECTION 2. A school district's first report of  
24 income-producing contracts under Section 44.012, Education Code,  
25 as added by this Act, must be published or must be posted on the  
26 district's Internet website not later than October 15, 2007, or  
27 February 15, 2008, depending on the date the district's fiscal year

1 begins.

2           SECTION 3. This Act takes effect immediately if it receives  
3 a vote of two-thirds of all the members elected to each house, as  
4 provided by Section 39, Article III, Texas Constitution. If this  
5 Act does not receive the vote necessary for immediate effect, this  
6 Act takes effect September 1, 2007.